



ORIGINAL

Division
CC DKT 96-45

Federal Communications Commission
Washington, D.C. 20554

SEP 15 1998

EX PARTE OR LATE FILED

Ms. Linda S. Galle
6735 W. 180th Street, #6
Tinley Park, IL 60477

RECEIVED

SEP 18 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Dear Ms. Galle:

Thank you for your letter to Senator Carol Moseley-Braun regarding a "telephone tax" or fee that may be added to some consumers' telephone bills by carriers to recover their contributions to the universal service support mechanisms. Senator Braun has asked me to respond to your inquiry.

On May 7, 1997, the Commission adopted a first Report and Order to implement the Federal-State Joint Board's recommendations on universal service as required by the Telecommunications Act of 1996 (1996 Act). The Commission established universal service support mechanisms that fulfill Congress's goal, as stated in Section 254 of the 1996 Act, of ensuring that affordable, quality telecommunications services are available to all American consumers, including low income consumers and those located in high cost, rural, and insular areas. In addition, these mechanisms implement Congress's mandate to ensure the nation's classrooms and libraries receive access to the vast array of educational resources that are accessible through the telecommunications network. These support systems also will link health care providers located in rural areas to urban medical centers so that patients living in rural America will have access, through the telecommunications network, to the same advanced diagnostic and other medical services that are enjoyed in urban communities.

The 1996 Act requires all telecommunications carriers that provide interstate telecommunications services to contribute on an equitable and nondiscriminatory basis to universal service. The Commission implemented this statutory provision by requiring all such telecommunications carriers to contribute to the universal service support mechanisms. Neither Congress, nor the Commission, requires such carriers to pass this contribution on to their customers. To the contrary, carriers decide how and to what extent they recover their contributions. Carriers, however, may not mislead customers as to how they recover contributions and may only recover an equitable share from any particular customer.

The Commission is monitoring the universal service support mechanisms and their impact on telephone ratepayers. This issue will be carefully reviewed as the support mechanisms are administered.

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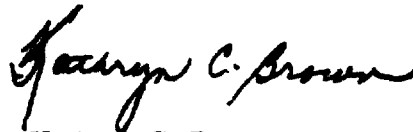
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Ms. Linda S. Galle

Page 2

Your letter has been placed in the official public record of the universal service proceeding (CC Docket No. 96-45). I appreciate your interest and views on these important issues.

Sincerely,

A handwritten signature in black ink, reading "Kathryn C. Brown". The signature is written in a cursive style with a large, stylized "K" and "B".

Kathryn C. Brown
Chief
Common Carrier Bureau

cc: Honorable Carol Moseley-Braun

CAROL MOSELEY-BRAUN
ILLINOIS

COMMITTEES:
BANKING, HOUSING, AND
URBAN AFFAIRS
FINANCE
SPECIAL AGING

United States Senate
WASHINGTON, DC 20510-1303

CHICAGO, ILLINOIS OFFICE

Kluczynski Federal Building
Suite 3800
230 South Dearborn Street
Chicago, IL 60604-1890

July 1, 1998

CCB
96-45b
5200

Ms. Cheryl Tritts
Chief
Common Carrier Bureau
Federal Communications Commission
2025 M Street, N.W., Room 6202
Washington, D.C., 20554

Dear Ms. Tritts:

I am enclosing a copy of an inquiry that I received from Ms. Linda S. Galle.

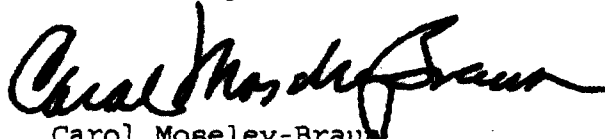
Because of this office's desire to be responsive to all communications, your consideration of the attached is requested.

Your findings and views will be appreciated, and I will pass them on to Linda S. Galle or you may reply directly to Linda S. Galle and forward a copy to my office.

Please Respond To:

Lerone Bennett III
Constituent Assistant
Carol Moseley-Braun, U.S.S.
230 South Dearborn Street
Chicago, IL 60604
(312) 312-886-0499

Yours truly,


Carol Moseley-Braun
United States Senator

CMB:lb

June 25, 1998

Federal Communications Committee
Fund Administrator
2100 M Street, NW - Suite 8601
Washington, DC 20554

Senator Carol Moseley-Braun
United States Senate
230 S. Dearborn Street - 39th Floor
Chicago, IL 60604

Ameritech Cellular Services
200 W. Ameritech Center Drive
Hoffman Estates, IL 60195-5000

AT & T - Executive Complaints
295 N. Maple Avenue
Basking Ridge, NJ 07920

Re: Federal Universal Service Fund Charge

Dear Sir or Madam:

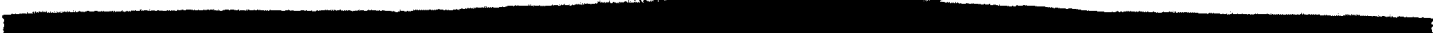
I am already paying a monthly charge towards this fund by having a cellular phone; now I am being forced to "contribute" another monthly fee on long distance charges. This is totally unfair. Am I going to see yet another fee from my cable provider?

The government has put the burden of support of this fund on telecommunication companies...to ensure that citizens, schools, libraries, and rural hospitals have access to first-class, affordable telecommunications service; like use of the internet. I had contacted Francis Downey, the FCC's Fund Administrator in Washington, DC, regarding this fee when imposed on cellular providers and she stated ...**"some companies have taken it upon themselves to recover this charge from their customers...the law does not direct or require companies to pass this charge on to their customers"**. Now another fee on long distance service is being passed on to customers!!

For "contributions" towards this fund, it would be more appropriate and fair to do something such as the Northern Illinois Gas Company does. They "ask" their customers if they would like to contribute towards a fund on their bill, they do not automatically incorporate an extra charge on to their customers.

I am of the impression that a "contribution" is voluntary. Not only was it unethical to pass this expense on to every cellular phone customer, now there will be more "contributions" passed on to long distance service!! Citizens should have a choice to contribute towards a fund, not forced to.

Since I support myself and it is my own personal responsibility to budget my expenses in order to be able to afford having things such as "telecommunications service" - why should I be forced to support others? If I personally cannot afford "first-class, affordable telecommunications service, I should not have it, or expect someone else to pay the expenses for me. I cannot afford a personal



computer/internet access; so I do not have it and don't expect others to pay for me to have it.

I already "contribute" in support of schools, libraries, etc., through federal and state taxes. I am not a selfish person and, on my own, I also "contribute" towards various combined federal campaign organizations. However, I volunteer to do so and my contributions go towards organizations of my choosing.

AT & T (Account #70853245154945)
Ameritech Cellular Services (Account #7087320292003)

Since it is not a directive of the bill for you to recover this charge from customers, I wish to have it removed. It should be my choice where I wish to "contribute".

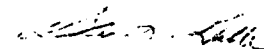
Senator Moseley-Braun

I'm asking your support for me to be able to choose where I want to "contribute" and not be forced to support this fund over and over again since I already pay state and federal taxes. Don't I have a choice in this matter? Not only do I believe it unjust to have been paying a fee through my cellular service, now I have to pay another monthly fee! Am I going to be imposed yet another fee from my cable provider?

FCC fund Administrator

Do I not have a choice in this matter? With all those that have cellular service nationwide that are being charged a monthly fee, is this not enough? Is it necessary that long distance companies are now being forced to support this fund who, in turn, are also passing a charge on to their customers? Are you going to extend the burden of support of this fund on to cable providers or other communication-type networks, only for them to pass yet another fee on to me?

Sincerely,



Linda S. Galle
6735 W. 180th Street, #6
Tinley Park, IL 60477